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RAPIDES PARISH SHERIFF

ALEXANDRIA, LOUISIANA

JUNE 30, 2006

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Release Date 1-31-07

**Rapides Parish Sheriff
Alexandria, Louisiana**

June 30, 2006

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**Rapides Parish Sheriff
Alexandria, Louisiana**

June 30, 2006

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**Rapides Parish Sheriff
Alexandria, Louisiana**

June 30, 2006

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff, Alexandria, Louisiana, as of and for the year ended June 30, 2006, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Rapides Parish Sheriff's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff, as of June 30, 2006, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2006, on our consideration of the Rapides Parish Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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CINDY L. HUMPHRIES, C.P.A.

L. PAUL HOOO, C.P.A.





PAYNE, MOORE & HERRINGTON, LLP

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

The management's discussion and analysis and budgetary comparison information presented on pages 4 through 11 and 41-43, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rapides Parish Sheriff's basic financial statements. The accompanying financial information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit organizations*, and is also not a required part of the basic financial statements of the Rapides Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Payne, Moore & Herrington, LLP

Certified Public Accountants

November 22, 2006

Required Supplemental Information – Part I
Management’s Discussion and Analysis

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

The following discussion and analysis of the Rapides Parish Sheriff's financial performance provides an overview of the financial activity for the fiscal year ending June 30, 2006. This analysis should give the reader a snapshot of the financial health of the Rapides Parish Sheriff's Office as of that date and an indication of the strengths and weaknesses for the next few years.

Financial Highlights

- Fund Balance in the General Fund at June 30, 2006 is \$8.5 million, a decrease of \$1.3 million from the prior year. Revenues and transfers from other funds were \$35.0 million while expenditures and transfers out were \$36.3 million.
- Revenues and transfers from other funds in the amended budget were \$34.8 million and expenditures and transfers to other funds were \$36.5 million, reflecting a \$1.7 million budgetary deficit. The purchase of a new storage warehouse and the first phase of a public safety software purchase account for this projected budget deficit. Sales tax receipts, however, ended up \$400,000 over budget, thereby lessening the deficit to \$1.3 million.
- Sales tax receipts during the fiscal year were \$11.4 million and ad valorem taxes were \$7.9 million. Combined, these two revenue sources increased \$1.9 from the previous year. These two taxes accounted for \$19.3 million, or 55.2% of all revenue in the General Fund.
- Two major hurricanes in the Gulf of Mexico, Katrina and Rita, had a significant impact on the Sheriff's Office operations during the fiscal year. Sheriff's Office employees worked thousands of hours of overtime in order to assist in these two catastrophes. The old Work Release building was reopened in order to provide housing for hundreds of inmates from the New Orleans area. Total expenditures by the Sheriff's Office were approximately \$1.3 million. The Federal Emergency Management Agency (FEMA) is in the process of reimbursing the Sheriff's Office for the majority of these expenditures and the Louisiana Department of Public Safety has already paid for the housing of the New Orleans inmates.
- The Rapides Parish Sheriff Office purchased a 24,000 square foot warehouse on John Allison Drive during the fiscal year. The cost of the building was \$950,000. This building should help in the consolidation of records storage and provide much needed space to the Sheriff's Office. In turn, the old Work Release building on Coliseum Boulevard will be sold shortly after the beginning of the next fiscal year, helping to recover the funds used to purchase the new warehouse.
- During the fiscal year, the Rapides Parish Sheriff Office entered into a contract with New World Systems to begin installation of the software and training of the Sheriff's Office personnel on new public safety software. The software includes CAD (Computer Aided Dispatch), RMS (Record Management Software), and mobile data software. The implementation and training began in the current fiscal year and will conclude in the fiscal year ending June 30, 2007. The anticipated cost is approximately \$2 million and is being funded out of the general fund fund balance.
- Total Assets and Net Assets on the Statement of Net Assets both increased slightly from the prior fiscal year. Total Assets from all Governmental Fund activities at year-end is \$27.3 million, liabilities \$1.9 million and Net Assets at year-end is \$25.4 million.

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

Understanding this Annual Report

The annual report consists of a series of financial statements and notes or explanations to those financial statements. The Statements of Net Assets and the Statement of Activities (on pages 14 & 15) provide information about the Sheriff's Office as a whole. Fund Financial Statements, which present information for specific activities or objectives, begin on page 16. The Notes to Basic Financial Statements present information that help explain the transactions and balances shown in the Government-Wide Financial Statements and the individual Fund Financial Statements. The Notes begin on page 22.

After the Notes to Basic Financial Statements, this report contains some supplementary information. Some is required and some is provided because of the importance of the data. For example, the Statement of General Fund Expenditures beginning on page 48 reports departmental expenses and compares these to the budget allocated to these departments. This provides the reader a detailed analysis of the General Fund expenses and the budget management by those department managers.

One important method of analyzing the financial strength of any governmental entity is comparing current year data and balances to prior years. This will indicate the direction, or trend, in which the entity may be heading. This management's discussion and analysis will show some of those comparisons.

- Reporting the Sheriff's Office as a Whole

As indicated earlier, the Statement of Net Assets and the Statement of Activities report information about the Sheriff's Office as a whole. The Statement of Net Assets reports the assets (cash, investments, receivables, inventories, and capital assets) minus liabilities (accounts payable and other debt). The resulting sum is the net assets of the Sheriff's Office as of June 30, 2006.

An analysis of the components of the Statement of Net Assets from year to year will give the reader an indication of whether the Sheriff's financial position is improving or whether it is getting worse. There are, however, other indicators that are not in the financial statements that need to be taken into consideration when assessing financial condition. For instance, since more than 50% of the Sheriff's revenues are sales taxes and property taxes, the economic conditions in the area should also be considered.

The Statement of Activities is similar to a profit and loss statement that you would see in a business enterprise. However, instead of reporting net profit or loss, income less expenses is reported as the Change in Net Assets. The Statement shows the extent to which operations of the Sheriff's Office are supported by general revenues, such as taxes and investment earnings, and how much is funded by resources raised within the Sheriff's Office, mainly as charges for services.

- Reporting the Sheriff's Most Significant Funds

The Sheriff's financial statements as a whole are comprised of many individual funds. Significant funds, or major funds, are each reported in a separate column in the Fund Financial Statements so that they can be analyzed apart from the smaller funds. The remaining funds, or nonmajor funds, are combined into one column titled Other Governmental Funds.

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

The General Fund accounts for the majority of the day-to-day activities of the Sheriff's Office. It is the most significant fund of not only the Sheriff's Office, but of any government. All other funds account for resources dedicated for specific purposes or those in which the Sheriff's Office acts as Trustee. The General Fund, as well as all of the other governmental funds, are reported using an accounting method called modified accrual accounting, which reports revenues and expenses in the period earned or consumed, regardless of when cash is received or paid.

The Governmental Funds Fund Balances (Reserves) are reconciled to Net Assets in a statement on page 18 of the financial statements. The two terms Net Assets and Reserves might seem to be referring to the same thing. However, Net Assets provide more of a long-term view of the Sheriff's financial picture and Governmental Fund Reserves focus on how the money flows in and out of those funds during the year and the balances available to fund future operations. The reconciliation shows the relationship between the two.

- The Sheriff as Trustee

The Sheriff's Office is also responsible for maintaining and reporting other funds of which it has a custodial responsibility. These monies are for specific purposes and must be reported separately. These funds consist of jail inmate balances, tax collections not yet distributed and civil proceeding monies. These activities are reported in the Statement of Fiduciary Assets and Liabilities on page 21.

Analysis of the Sheriff's Financial Statements as a Whole

The combined Net Assets of the Sheriff's Office as of June 30, 2006 was \$25.4 million, up \$.6 million from the previous year. This represents a 2.4% increase. Total assets at year-end were \$27.3 million compared to liabilities of only \$1.9 million. The asset to liability ratio is a very strong 14:1. Table 1 below shows the combined net assets at June 30, 2006, and comparative amounts for June 30, 2005.

Table 1
Net Assets

	<u>6/30/05</u>	<u>6/30/06</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>
Cash and Investments	\$ 8,610,894	\$ 6,486,648	\$ (2,124,246)	(24.67)%
Receivables	2,178,404	3,019,985	841,581	38.63 %
Inventories	120,542	119,164	(1,378)	(1.14)%
Prepaid Expenses	85,713	101,714	16,001	18.67 %
Capital assets, net of depreciation	<u>15,976,084</u>	<u>17,642,524</u>	<u>1,666,440</u>	10.43 %
Total Assets	26,971,637	27,370,035	398,398	1.48 %
Payables	364,809	186,753	(178,056)	(48.81)%
Deferred Revenue	98,846	306,146	207,300	209.72 %
Compensated Absences	1,051,935	1,098,167	46,232	4.39 %
Long-Term Debt	<u>614,062</u>	<u>331,953</u>	<u>(282,109)</u>	(45.94)%
Total Liabilities	<u>2,129,652</u>	<u>1,923,019</u>	<u>(206,633)</u>	(9.70)%
Net Assets	\$ 24,841,985	\$ 25,447,016	\$ 605,031	2.44 %

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

Net Assets, as shown above, equal assets less liabilities. At first glance, the reader may look at the net asset figure above and interpret this to mean that the Sheriff's Office has a \$25.4 million reserve. However, only \$8.0 million is unrestricted, or available for operations. The remaining \$17.4 million is restricted to paying off debt and invested in capital assets.

Two noticeable changes in the Net Assets schedule shown above are in the Cash and Investments and the Capital Asset categories. Cash and Investments decreased \$2.1 million, or 24.7% from the previous year and Capital Assets, net of depreciation, increased \$1.6 million, or 10.4%. The previously mentioned warehouse that was purchased, the capitalized expenditures on the mobile data project, and the unreimbursed expenditures for the two hurricanes account for both of these fluctuations. Cash and Investments decreased because of these expenditures, thereby increasing capital assets, net of depreciation. The only other significant change in the Net Assets schedule is the Long-Term Debt in the liabilities section which decreased \$282,000, or 46%, due to the paying down of the Certificates of Indebtedness.

With the very small change in Net Assets from the prior year to the current year, one can assume that the revenues and expenses of the Sheriff's Office were about equal. Program revenues and general revenues totaled \$35.7 million while expenses were \$35.1 million, thus resulting in an increase in Net Assets of \$.6 million. This can be found in the Statement of Activities on page 15 of this report.

The Statement of Activities in Table 2 summarizes program revenues, general revenues, expenses by function, and the change in net assets from the previous year for the Sheriff's Office as a whole. Program revenues account for 43.3% of the \$35.7 million in total revenues; general revenues 56.7%. Program revenues are those that are derived directly from the program itself or from parties outside the Sheriff's taxpayers or citizenry. They reduce the net cost of the function to be financed from the Sheriff's general revenues. Program revenues consist of charges for services and operating and capital grants. All revenues that are not program revenues are considered general revenues. Sales taxes and property taxes are the most common general revenues.

Program revenues and General revenues together increased \$3.3 million in the fiscal year ending June 30, 2006. Program revenues increased \$1.3 million, or 8.9%, from the previous year. Of the \$15.4 million in program revenues, \$8.8 million were derived in the two jails, the Work Release facility and the Boot Camp for juveniles operated by the Sheriff's Office. The newly instituted House Arrest Program, an alternative incarceration program instituted by the Sheriff's Office this year, also generated a little over \$100,000 toward program revenues. The remaining program revenues were \$2.7 million in other charges for services and \$3.9 million in Operating and Capital Grants. Operating grants increased significantly from the prior year, mainly because of the reimbursements from the federal and state governments from hurricanes Katrina and Rita.

Sales taxes and property taxes compromised \$19.3 million of the \$20.2 million in general revenues. Together these two revenue sources increased \$1.9 million, or 11.1% from the prior fiscal year. Most of the growth of the Sheriff's Office, in terms of salary increases and services provided to the citizens of Rapides Parish, is funded by these two taxes. This kind of increase cannot be expected to continue from year to year, and therefore the Sheriff's Office has to prepare for those years when the revenue growth is more in line with the normal growth or even lower.

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

In analyzing the expenses by program/function in the Statement of Activities, you will see that total expenses increased from \$31.8 million in fiscal year 2005 to \$35.1 million in the current year. This \$3.3 million increase was due to factors already mentioned in this analysis, namely, the expenses incurred from hurricanes Katrina and Rita (\$1.3 million), the 3.4% pay increase to employees (\$675,000), an increase in the number of employees (\$400,000), and the mobile data project (\$700,000). Most of the remaining increase in expenses is in operating expenses such as vehicle fuel, vehicle repair and maintenance, and utilities. The Statement of Activities for the current and prior fiscal year is summarized in Table 2 below.

Table 2
Statement of Activities (Summary)

	<u>6/30/05</u>	<u>6/30/06</u>	<u>\$ Inc/(Dec)</u>	<u>% Inc/(Dec)</u>
Program Revenues:				
Charges for Services -				
Correctional Facilities	\$ 8,655,794	\$ 8,830,971	\$ 175,177	2.02 %
Other Divisions	1,934,090	1,848,099	(85,991)	(4.45)%
Commissary Sales	<u>811,140</u>	<u>873,822</u>	<u>62,682</u>	7.73 %
Total Charges for Services	11,401,024	11,552,892	151,868	1.33 %
Operating/Capital Grants -				
Uniform Division	1,590,048	2,878,608	1,288,560	81.04 %
Louisiana Youth Academy	750,000	687,562	(62,438)	(8.33)%
Other	<u>447,918</u>	<u>327,177</u>	<u>(120,741)</u>	(26.96)%
Total Operating/Capital Grants	<u>2,787,966</u>	<u>3,893,347</u>	<u>1,105,381</u>	39.65 %
Total Program Revenues	14,188,990	15,446,239	1,257,249	8.86 %
General Revenues:				
Property Taxes	7,431,105	7,946,943	515,838	6.94 %
Sales Taxes	9,978,535	11,384,498	1,405,963	14.09 %
Other General Revenues	<u>830,686</u>	<u>914,765</u>	<u>84,079</u>	10.12 %
Total General Revenues	<u>18,240,326</u>	<u>20,246,206</u>	<u>2,005,880</u>	11.00 %
Total All Revenues	32,429,316	35,692,445	3,263,129	10.06 %
Expenses by Function/Program				
Public Safety	14,242,456	15,880,563	1,638,107	11.50 %
Correctional Facilities	13,161,525	14,139,064	977,539	7.43 %
Administrative	3,785,885	4,356,787	570,902	15.08 %
Commissary Expenses	598,943	682,529	83,586	13.96 %
Grants to Other Governments	27,959	9,907	(18,052)	(64.57)%
Debt Service	<u>28,636</u>	<u>18,564</u>	<u>(10,072)</u>	(35.17)%
Total Expenses by Function/Program	<u>31,845,404</u>	<u>35,087,414</u>	<u>3,242,010</u>	10.18 %
Change in Net Assets	\$ 583,912	\$ 605,031	\$ 21,119	3.62 %

Rapides Parish Sheriff

June 30, 2006

Management's Discussion and Analysis

The Sheriff's Individual Funds

Individual Fund statements begin on page 16 of the annual report. As mentioned earlier, the General Fund and other major funds are shown as separate columns, with all other funds combined in one column titled "Other Governmental Funds". The Drug Enforcement Fund is the only other major fund shown. As you can see from the Balance Sheet on page 17, the General Fund accounts for over 90% of the total assets, liabilities, and fund balances.

Assets in the General Fund as of June 30, 2006 were \$8.9 million and liabilities \$.4 million. This leaves a Fund Balance of \$8.5 million, all of which is unrestricted. Available Fund Balance is, therefore, 24.2% of the current annual budget. The Sheriff's management believes that it is necessary to increase the fund balance to the previous year level in order to meet the financial challenges that lie ahead.

General Fund Budgetary Highlights

The Rapides Parish Sheriff's Office adopted a balanced budget in its General Fund for the fiscal year beginning July 1, 2005. Revenues and expenditures were budgeted at \$32.4 million with an expected remaining fund balance of \$9.5 million. This budget was \$2.7 million, or 9.1% higher than the previous year's original budget. The ½ cent sales tax and property taxes accounted for \$1.5 million, or 55%, of the budget increase in revenues. Federal grants were budgeted with a \$500,000 increase over the prior year, and the state funding of Dare Training Center run by the Sheriff's Office went up \$275,000. The remaining budget increase in revenues for the fiscal year is spread between House Arrest receipts and interest income. Other revenues remained consistent with the prior year.

Expenditures in the original budget, as mentioned in the previous paragraph, increased \$2.7 million from the prior year original budget. Salaries and fringe benefits increased \$1.4 million, operating expenses \$.6 million, and capital outlay purchases increased from the prior year by \$.7 million. The 3.2% salary increase and ten additional full-time employees account for the increase in salaries and fringe benefits. The increase in operating costs and capital outlay were spread among various divisions, with small increases in vehicle fuel costs, utilities, and inmate feeding and maintenance costs all increasing a little from the prior year.

The budget was amended one time during the fiscal year, in March 2006. The amendment increased revenues from \$32.4 million to \$34.8 million and expenses from \$32.4 million to \$36.5 million, reflecting a \$1.7 million budgetary deficit for the year ending June 30, 2006. Sales taxes and property taxes accounted for almost half of the increase in revenues. Combined, these two taxes went up \$1.1 million, going from \$17.9 million in the original budget to \$19 million in the amended budget. The remainder of the revenue increase in the amended budget were, as previously discussed, reimbursements of expenditures incurred by the Sheriff's Office for hurricanes Katrina and Rita.

The \$4.1 increase in budgeted expenses is split between salaries and fringe benefits, operating expenses, and capital outlay. Salaries and fringe benefits and operating expenses both increased \$1.45 million in the amended budget, and capital outlay went up \$1.2 million. All of these increases were due to reasons already mentioned in this discussion. The cost of the two hurricanes, the 3.4% pay raise, the new warehouse purchase, and the mobile data project account for virtually all of the expenses added in the amended budget.

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

The debt portion of the amended budget did not change. You can read more about the Sheriff's Office existing debt in the Debt Administration section of the Management's Discussion and Analysis a few paragraphs later.

As mentioned earlier, the amended budget for the General Fund projected revenues to be \$34.8 million and expenses \$36.5 million. Therefore, a \$1.7 million deficit was expected in the General Fund for the fiscal year ending June 30, 2006. However, sales tax receipts were \$400,000 higher than budgeted and expenditures remained in line with budget projections, thereby reducing the projected deficit to \$1.3 million. This deficit reduced the unrestricted fund balance in the General Fund from \$9.8 million to \$8.5 million at year end.

Capital Assets and Debt Administration

Capital Assets

The Sheriff's Office spent more than \$3.2 million on capital assets during the fiscal year ending June 30, 2006. The new warehouse (\$950,000), software and hardware for the mobile data project (\$735,000), vehicle purchases (\$870,000), radios (\$130,000) and other capital outlay (\$515,000) were the items purchased this year. Also, the new vehicle maintenance complex, which was near completion at the end of last fiscal year, was taken out of the construction in progress category in the general ledger and moved into the depreciable assets category during the fiscal year. The cost of this facility was a little over \$1.6 million. The following table summarizes the prior year and current year ending balances of capital assets.

	June 30, 2005	June 30, 2006
Land and Buildings	\$ 15,951,524	\$ 16,933,903
Vehicles	3,863,185	4,142,153
Radios	1,286,963	1,314,819
Other Equipment	<u>2,740,998</u>	<u>3,772,011</u>
	23,842,670	26,162,886
Less Depreciation	<u>(7,866,586)</u>	<u>(8,520,362)</u>
Assets, Net of Depreciation	\$ 15,976,084	\$ 17,642,524
Percent Undepreciated	67.01%	67.43%

The percent undepreciated balance gives the reader an indication of how old the capital assets are. The higher the percent undepreciated balance is, the newer the capital asset. The assets, therefore, at June 30, 2006 have about 2/3 of their useful life remaining. As this balance decreases, you can assume that more resources will have to be used to keep the capital assets in good working condition.

Debt Administration

The Sheriff's Office paid \$265,000 on the 1998 Series Certificates of Indebtedness during the fiscal year. The \$280,000 remaining balance due on this debt will be paid by March 2007. One-twelfth of the annual principal and interest due on this debt is transferred monthly from the General Fund to the Debt Service Fund. The principal and interest payments are then paid out of the Debt Service Fund. The interest rate on the remaining certificate is 2.85%.

Rapides Parish Sheriff
June 30, 2006

Management's Discussion and Analysis

The Sheriff's Office entered into eight leases for eleven copy machines over the past few years. It was determined, because of the language in the lease regarding ownership and buyout clauses, that these were capital leases instead of operating leases as originally recorded. The result was to add the copiers to Capital Assets and the corresponding debt to the debt schedule. All of the leases were for five years with a maturity date ranging from June 2005 – April 2009. During the past two fiscal years, two leases with four copiers were terminated. New copiers were leased with Sayes Office Supply and are being accounted for as operating leases. At June 30, 2006, the balance on the remaining six capital leases is \$51,953.

Unused vacation pay and compensation time due to employees are also liabilities of the Sheriff's Office, however, most of that amount is never paid out. These amounts, known as compensated absences payable, are only paid when an employee retires or employment is terminated. During the fiscal year ending June 30, 2006, the compensated absences balance increased 4.4%, to \$1,098,167. Salary increases and more employees accumulating leave were the reasons for this increase.

The following summarizes the debt balances at June 30 for the past two years.

	June 30, 2005	June 30, 2006
Certificates of Indebtedness, 1998	\$ 545,000	\$ 280,000
Capital Leases Payable	69,062	51,953
Compensated Absences Payable	<u>1,051,935</u>	<u>1,098,167</u>
Total	\$ 1,665,997	\$ 1,430,120

Summary

The financial reserves of the Rapides Parish Sheriff's Office decreased during the past fiscal year because of some one-time expenditures. As mentioned earlier, the fund balance in the General Fund decreased to \$8.5 million at year end, down \$1.3 million from the prior year. Those reserves need to be built back to the level that they were in order to be better prepared for the financial challenges that lie ahead such as annual pay raises, healthcare and pension increases, and keeping pace with the technological advances in equipment needed to run the Sheriff's office. By managing the resources available to us, we should be able to accomplish all of these goals.

Contacting the Sheriff's Management

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the finances of the Rapides Parish Sheriff's Office. If you have any specific questions about this report, contact Sheriff William Earl Hilton, or Finance Officer Mark Thibeaux, P. O. Box 1510, Alexandria, La 71309.

Basic Financial Statements

**Government-Wide
Financial Statements (GWFS)**

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Net Assets
Governmental Activities
June 30, 2006**

Exhibit A

Assets

Cash and cash equivalents		\$ 1,104,457
Investments		5,382,191
Receivables		2,693,514
Accrued interest receivable		49,529
Due from fiduciary funds		276,942
Inventories		119,164
Prepaid expenses		101,714
Capital assets, net of depreciation		
Nondepreciable		
Land and improvements	638,633	
Depreciable		
Buildings	12,158,973	
Equipment and furniture	4,190,855	
Other capital assets	654,063	17,642,524
Total Assets		<u>27,370,035</u>

Liabilities

Accounts payable		180,906
Payroll withholdings		3,237
Accrued interest payable		2,610
Deferred revenue		306,146
Long-term liabilities		
Due within one year		
Certificates of indebtedness	280,000	
Capital leases	19,117	
Due in more than one year		
Capital leases	32,836	
Compensated absences	1,098,167	1,430,120
Total Liabilities		<u>1,923,019</u>

Net Assets

Invested in capital assets, net of related debt	17,362,524
Restricted for	
Debt service	96,252
Unrestricted	<u>7,988,240</u>
Total Net Assets	<u><u>\$ 25,447,016</u></u>

The accompanying notes are an integral part of the financial statements.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Activities
Governmental Activities
Year Ended June 30, 2006**

Exhibit B

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Current					
Executive division	\$ 1,449,463	\$ -	\$ -	\$ -	\$ (1,449,463)
Finance division	443,958	-	-	-	(443,958)
Youth programs	113,789	-	-	-	(113,789)
Personnel division	134,664	-	-	-	(134,664)
Tax department	381,127	123,026	-	-	(258,101)
Civil department	701,588	784,799	-	-	83,211
Maintenance/road crew	857,652	-	-	-	(857,652)
Correction division (DC-1)	3,640,633	1,189,350	-	-	(2,451,283)
Work release facility	3,636,048	3,663,820	-	-	27,772
House arrest division	402,390	101,438	-	-	(300,952)
Detective division	2,413,234	36,336	36,103	-	(2,340,795)
DARE training center	159,036	-	158,385	-	(651)
Uniform division	9,955,346	850,968	2,499,411	379,197	(6,225,770)
Training division	295,539	20,100	-	-	(275,439)
Louisiana Youth Academy	1,038,795	35,844	687,562	-	(315,389)
School resource officers	3,015,727	2,480	-	-	(3,013,247)
Correction division (DC-3)	5,421,198	3,840,519	-	-	(1,580,679)
Warehouse	115,510	-	-	-	(115,510)
Cost of merchandise sold - commissaries	674,281	873,822	-	-	199,541
Bank charges - commissaries	8,248	-	-	-	(8,248)
Metro narcotics division	200,717	30,390	123,052	-	(47,275)
Grants to other governments	9,907	-	9,637	-	(270)
Debt Service					
Interest and fiscal charges	18,564	-	-	-	(18,564)
Total Governmental Activities	<u>\$ 35,087,414</u>	<u>\$ 11,552,892</u>	<u>\$ 3,514,150</u>	<u>\$ 379,197</u>	<u>(19,641,175)</u>
General Revenues					
Taxes					
Ad valorem taxes levied for general purposes					7,946,943
Sales taxes levied for general purposes					11,384,498
Grants and contributions not restricted to specific programs					
State revenue sharing					559,905
Other grants and contributions					25,671
Interest earned					349,853
Rental income					34,800
Other					68,782
Loss on sale/disposal of assets					(124,246)
Total General Revenues					<u>20,246,206</u>
Change in Net Assets					605,031
Net Assets, Beginning of Year					<u>24,841,985</u>
Net Assets, End of Year					<u>\$ 25,447,016</u>

The accompanying notes are an integral part of the financial statements.

Fund Financial Statements

**Rapides Parish Sheriff
Alexandria, Louisiana
Balance Sheet
Governmental Funds
June 30, 2006**

Exhibit C

	<u>General Fund</u>	<u>Drug Enforcement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 589,284	\$ 150,082	\$ 365,091	\$ 1,104,457
Investments	5,250,000	-	132,191	5,382,191
Receivables	2,693,514	-	-	2,693,514
Accrued interest receivable	47,247	-	2,282	49,529
Due from other funds	277,498	-	-	277,498
Inventories	46,503	-	72,661	119,164
Total Assets	<u>\$ 8,904,046</u>	<u>\$ 150,082</u>	<u>\$ 572,225</u>	<u>\$ 9,626,353</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 174,530	\$ -	\$ 6,376	\$ 180,906
Payroll withholdings	3,237	-	-	3,237
Due to other funds	-	510	46	556
Deferred revenue	239,973	66,173	-	306,146
Total Liabilities	<u>417,740</u>	<u>66,683</u>	<u>6,422</u>	<u>490,845</u>
Fund Balances				
Reserved				
Debt service	-	-	96,252	96,252
Unreserved	8,486,306	83,399	-	8,569,705
Unreserved - reported in nonmajor				
Special revenue funds	-	-	120,357	120,357
Capital projects funds	-	-	349,194	349,194
Total Fund Balances	<u>8,486,306</u>	<u>83,399</u>	<u>565,803</u>	<u>9,135,508</u>
Total Liabilities and Fund Balances	<u>\$ 8,904,046</u>	<u>\$ 150,082</u>	<u>\$ 572,225</u>	<u>\$ 9,626,353</u>

The accompanying notes are an integral part of the financial statements.

**Rapides Parish Sheriff
Alexandria, Louisiana
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2006**

Exhibit D

Total Fund Balances - Governmental Funds	\$	9,135,508
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in Governmental Funds.

Cost of capital assets	26,162,886	
Less - Accumulated depreciation	<u>(8,520,362)</u>	17,642,524

Long-term liabilities are not due and payable in the current period. Accordingly, they are not reported as liabilities in the Governmental Funds. All liabilities are reported in the Statement of Net Assets.

Capital leases payable	(51,953)	
Certificates of indebtedness	(280,000)	
Compensated absences payable	<u>(1,098,167)</u>	(1,430,120)

Interest on long-term debt is accrued in the Statement of Net Assets, but not in the Governmental Funds.

Accrued interest payable	(2,610)
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Costs incurred which benefit more than one period are recorded as an expenditure in the Governmental Funds when paid. The portion relating to the next fiscal year is reported as prepaid expenses in the Statement of Net Assets.

Prepaid expenses	<u>101,714</u>
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Net Assets of Governmental Activities	\$	<u>25,447,016</u>
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The accompanying notes are an integral part of the financial statements.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2006

Exhibit E

	General Fund	Drug Enforcement Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes				
Ad valorem	\$ 7,946,943	\$ -	\$ -	\$ 7,946,943
Sales	11,384,498	-	-	11,384,498
Intergovernmental	4,928,461	123,052	9,637	5,061,150
Fees, commissions, etc.	9,956,377	30,390	-	9,986,767
Sale of merchandise	-	-	873,822	873,822
Rental income	34,800	-	-	34,800
Interest earned	334,623	-	15,230	349,853
Other	178,757	-	101	178,858
Total Revenues	34,764,459	153,442	898,790	35,816,691
Expenditures				
Current				
Executive division	1,353,249	-	-	1,353,249
Finance division	436,129	-	-	436,129
Youth programs	109,334	-	-	109,334
Personnel division	130,400	-	-	130,400
Tax department	374,848	-	-	374,848
Civil department	688,505	-	-	688,505
Maintenance/road crew	777,332	-	-	777,332
Correction division (DC-1)	3,605,464	-	-	3,605,464
Work release facility	3,331,721	-	-	3,331,721
House arrest division	389,996	-	-	389,996
Detective division	2,295,546	-	-	2,295,546
DARE training center	158,402	-	-	158,402
Uniform division	10,119,249	-	-	10,119,249
Training division	265,707	-	-	265,707
Louisiana Youth Academy	1,038,824	-	-	1,038,824
School resource officers	2,979,483	-	-	2,979,483
Correction division (DC-3)	5,203,423	-	-	5,203,423
Warehouse	113,130	-	-	113,130
Cost of merchandise sold - commissaries	-	-	674,281	674,281
Bank charges - commissaries	-	-	8,248	8,248
Metro narcotics division	-	197,446	-	197,446
Grants to other governments	-	-	9,907	9,907
Capital outlay	2,564,908	2,722	50,919	2,618,549
Debt service				
Principal	17,109	-	265,000	282,109
Interest and other charges	5,679	-	15,268	20,947
Total Expenditures	35,958,438	200,168	1,023,623	37,182,229
Excess (Deficiency) of Revenues Over Expenditures	(1,193,979)	(46,726)	(124,833)	(1,365,538)
Other Financing Sources (Uses)				
Transfers in	210,000	83,368	282,398	555,766
Transfers out	(345,766)	-	(210,000)	(555,766)
Sale of capital assets	49,868	-	-	49,868
Total Other Financing Sources (Uses)	(85,898)	83,368	72,398	49,868
Net Change in Fund Balances	(1,279,877)	16,642	(52,435)	(1,315,670)
Fund Balances, Beginning of Year	9,766,183	66,757	618,238	10,451,178
Fund Balances, End of Year	\$ 8,486,306	\$ 83,399	\$ 565,803	\$ 9,135,508

The accompanying notes are an integral part of the financial statements.

Rapides Parish Sheriff
Alexandria, Louisiana
Reconciliation of Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2006

Exhibit F

Net Change in Fund Balances - Governmental Funds \$ (1,315,670)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the period.

Capital outlays reported in the funds	3,283,760	
Less - depreciation reported in the Statement of Activities	<u>(1,443,206)</u>	1,840,554

Repayment of long-term liabilities is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal retirement		282,109
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In the Statement of Activities, only the gain (loss) on the sale of the assets is reported, whereas in the Governmental Funds, the entire proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the cost of the assets sold.

Gain (loss) on the sale of assets	(124,246)	
Less - proceeds from the sale of assets	<u>(49,868)</u>	(174,114)

In the Statement of Activities, certain operating expenses, such as compensated absences (vacation and sick leave), worker's compensation claims, and liability claims are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

(Increase) decrease in vacation and sick leave accrued		(46,232)
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Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

(Increase) decrease in accrued interest on certificates of indebtedness		2,383
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Prepaid costs are recognized as an expenditure when paid in the Governmental Funds. In the Statement of Activities, however, prepaid expenses are allocated over the period for which the expense is related.

Increase (decrease) in prepaid expenses		<u>16,001</u>
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Change in Net Assets - Governmental Activities		<u>\$ 605,031</u>
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The accompanying notes are an integral part of the financial statements.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
June 30, 2006**

Exhibit G

Assets

Cash and cash equivalents	\$ 4,081,896
Receivables	2,289
Total Assets	<u>\$ 4,084,185</u>

Liabilities

Due to General Fund	\$ 276,942
Due to taxing bodies, inmates, and others	3,807,243
Total Liabilities	<u>\$ 4,084,185</u>

The accompanying notes are an integral part of the financial statements.

Notes to Basic Financial Statements

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

1. Reporting Entity and Significant Accounting Policies

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the Rapides Parish Sheriff (the Sheriff) serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of Rapides Parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, and other law enforcement activities. The Sheriff also serves the residents of the parish through the establishment of neighborhood watch, anti-drug abuse, and other similar programs. When requested, the Sheriff also provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for the collection and distribution of ad valorem taxes, state revenue sharing funds, fines, costs, and bond forfeitures imposed by the district court.

The financial statements of the Rapides Parish Sheriff have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Rapides Parish Sheriff's accounting policies are described below.

Reporting Entity

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Rapides Parish Sheriff is considered a primary government, since it is a special purpose government that has a separately elected official, is legally separate, and is fiscally independent of other state or local governments. As described in GASB Statement No. 14, fiscally independent means that the Sheriff may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The Sheriff also has no component units, as other legally separate organizations for which the Sheriff is financially accountable. There are no other primary governments with which the Sheriff has a significant relationship.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected official. As such, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. This report only includes all funds that are controlled by or dependent upon the Rapides Parish Sheriff.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Basis of Presentation

The Rapides Parish Sheriff's basic financial statements consist of Government-Wide Financial Statements, including a Statement of Net Assets and a Statement of Activities, and Fund Financial Statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements – The Government-Wide Financial Statements include the Statement of Net Assets and the Statement of Activities. These statements report financial information for the Sheriff as a whole.

Fiduciary activities are not included at the Government-Wide reporting level. Fiduciary funds are reported only in the Statement of Assets and Liabilities of Fiduciary Funds at the fund financial statement level. Individual funds are not displayed, but the statements distinguish governmental activities, which normally are supported by taxes and intergovernmental revenues, from business-like activities (if any), generally financed in whole or in part by fees or charges. The activity of internal service funds (if any) is eliminated to avoid duplicating revenues and expenses. The Rapides Parish Sheriff does not have any business-like activities or internal service funds.

The Statement of Net Assets presents the financial position of the governmental activities at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The Sheriff does not allocate indirect expenses to functions in the Statement of Activities. The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. Program revenues include: (1) charges for services which report fees and other charges to users of the Sheriff's services; (2) operating grants and contributions that are restricted to meeting the operational activities of a function; and (3) capital grants and contributions which fund the acquisition of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which particular function program revenue pertains, the determining factor for charges for services is which particular function generates the revenue. For grants and contributions, the determining factor is to which particular functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which include ad valorem taxes, sales tax, state revenue sharing, interest, and other unrestricted revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the Sheriff.

Fund Financial Statements – The financial transactions of the Sheriff are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with legal and contractual provisions.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Funds are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types". The following fund types are used by the Rapides Parish Sheriff:

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds), the acquisition or construction of general fixed assets (Capital Projects Funds), and the servicing of general long-term debt (Debt Service Funds). The Fund Financial Statements report financial information by major funds and nonmajor funds. The following governmental funds are considered major funds:

General Fund - The General Fund is used to account for all activities of the general government not accounted for in some other fund. The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and is used to account for the operations of the Sheriff's office.

Drug Enforcement Fund - The Drug Enforcement Fund is used to account for the activities and transactions related to the Metro Narcotics Task Force.

All other funds are considered nonmajor funds. Descriptions for these funds can be found at the beginning of the nonmajor governmental funds combining statements.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The Sheriff accounts for its agency funds in this category. Agency funds consist of the Sheriff's Civil Fund, Tax Collector Fund, Cash Bond Fund, Fines and Costs Fund, and Jail Inmate Fund. They consist of monies deposited for civil suits, taxes, appearance bonds, fees, and funds held on behalf of inmates. Disbursements from the various funds are made to the appropriate agencies, litigants, and others as prescribed by statute.

Basis of Accounting/ Measurement Focus

Government-Wide Financial Statements (GWFS)

The Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenditures are recognized when incurred.

Fund Financial Statements (FFS)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the Government-Wide Financial Statements. Major individual governmental funds are reported as separate columns in the Fund Financial Statements.

Fund Financial Statements report detailed information about the Sheriff's office. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Governmental Funds

All governmental funds are accounted for using a current financial resources measurement focus. All governmental fund types and agency funds use the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the Balance Sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Sheriff considers ad valorem taxes as available if they are collected within sixty (60) days after the fiscal year end. Sales taxes are accrued in accordance with GASB Statement No. 33. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are ad valorem taxes, sales taxes, interest revenue and charges, commissions, and fees for service. Revenue recognition for cost reimbursement grants is recognized in accordance with GASB Statement 1. Grant revenue and expenditures are recognized in the period when all eligibility requirements have been met. Deferred revenues include amounts for which asset recognition criteria have been met. The Sheriff reports advance receipt of grant funds for use in the following period as deferred revenue.

Fiduciary Funds

The Sheriff has five agency funds. Unlike other types of funds, agency funds report only assets and liabilities. Therefore, agency funds cannot be said to have a measurement focus; however, they use the modified accrual basis of accounting to recognize receivables and payables.

Budgets

Budgets are adopted on the modified accrual basis of accounting, as discussed in the governmental funds. Annual appropriated budgets are usually adopted for the General, Special Revenue, and Debt Service Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these nonoperating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document.

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published notifying the public that the proposed budget is available for public inspection. At the same time, the date of the public hearing is published.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgets are controlled at the fund level and are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Sheriff.

Cash and Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired by the Rapides Parish Sheriff.

Investments represent certificates of deposit with a maturity date more than three months from the date acquired. Investments are stated at cost, which approximates market value.

Under state law, the Sheriff may deposit funds in demand deposits (interest bearing or non-interest bearing), money market accounts, or time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana. The Sheriff may invest in United States bonds, treasury notes, investments as stipulated in state law, or any other federally insured investments.

Receivables

Receivables are charged against income as they become uncollectible. In the opinion of management, all receivables at year-end were considered collectible, and an allowance for doubtful accounts was not considered necessary.

Internal Balances (Due from/to Other Funds)

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the governmental funds Balance Sheet. These internal balances are eliminated for reporting in the Statement of Net Assets.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Inventories

Inventories consist of (1) items sold at the commissaries, (2) commodities, if any, to feed the prisoners, and (3) office supplies. Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method.

Prepaid Expenses

In the Government-Wide Financial Statements, insurance premiums paid prior to year-end for coverage included in the next fiscal year are reported as prepaid expenses since the expense benefits the next fiscal year. In the Fund Financial Statements, these premiums are recorded as expenditures when paid.

Capital Assets and Depreciation

In the Government-Wide Financial Statements, capital assets are valued at historical cost or estimated cost if historical cost is not known. Donated assets, if any, are valued at estimated fair market value on date of donation. Capital assets are depreciated on a straight-line method over their estimated useful lives. A capitalization threshold of \$300 has been adopted for reporting purposes.

Capital assets provided by the Rapides Parish Police Jury are not recorded on the financial statements of the Rapides Parish Sheriff.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized.

In the Fund Financial Statements, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds. No provision is made for depreciation on capital assets in the Fund Financial Statements since the full cost is expensed at the time of purchase.

Deferred Revenue

The Rapides Parish Sheriff may report deferred revenue in its fund financial statements. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Sheriff before he has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Rapides Parish Sheriff

June 30, 2006

Notes to Basic Financial Statements

Compensated Absences

Material vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. This includes payments that come due before the end of the reporting period upon the occurrence of employee resignation, retirement, or death that will be paid early in the following year. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are not reported in the Fund Financial Statements. The full liability and related costs are reported in the Government-Wide Financial Statements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

Long-Term Liabilities

Long-term liabilities expected to be financed from governmental funds are not reported in the Balance Sheet for Fund Financial Statements. All liabilities, including long-term debt, are reported on the Statement of Net Assets in the Government-Wide Financial Statements. Interest expense on long-term debt is recognized in the Government-Wide Financial Statements as the interest accrues, regardless of when it is due.

Net Assets

Net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

In cases where the Sheriff receives restricted and unrestricted funds for the same purpose, the restricted funds are used first.

Fund Balances

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Interfund Transactions

In the governmental funds, transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as operating transfers.

Interfund balances are eliminated in the Government-Wide Financial Statements.

Rapides Parish Sheriff

June 30, 2006

Notes to Basic Financial Statements

Sales Taxes

On October 5, 2002, the voters of Rapides Parish elected to allow the Rapides Parish Law Enforcement District to levy and collect an additional 0.5% sales and use tax. This tax was levied effective January 1, 2003, in perpetuity, for the purpose of funding salaries and related benefits, as well as the purchase, lease, operation and maintenance of vehicles, furniture and fixtures, and equipment of the Rapides Parish Sheriff's Office as defined in Sections 301-317 of Title 47 of Louisiana Revised Statutes of 1950 (R.S. 47:301- 47:317).

Supplemental Wages

Certain employees receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenues and salaries and related benefits. For the fiscal year ending June 30, 2006, the amount of supplemental wages received was \$1,311,645.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents and Investments

At June 30, 2006, the Sheriff had cash and cash equivalents and investments as follows:

Cash and cash equivalents - Governmental Funds	\$ 1,104,457
Cash and cash equivalents - Fiduciary Funds	4,081,896
Investments – certificates of deposit - Governmental Funds	<u>5,382,191</u>
	\$ 10,568,544

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the agent bank.

Custodial credit risk is the risk that in the event of a bank failure, the Sheriff's deposits may not be returned. As of June 30, 2006, the Sheriff's bank balance of \$14,082,733 was not exposed to custodial credit risk in that \$500,996 was insured and \$13,581,737 was collateralized by securities held by the pledging banks in the Sheriff's name.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

3. Receivables

	General Fund	Fiduciary Funds
Security contracts	\$ 104,563	\$ -
Sales taxes	1,182,442	-
Grants	616,897	-
Housing and guarding inmates	607,142	-
Due from inmates	-	2,289
Other	182,470	-
	<u>\$ 2,693,514</u>	<u>\$ 2,289</u>

4. Interfund Receivables, Payables, and Transfers

Amounts due from and due to other funds reported in the Fund Financial Statements at June 30, 2006, consist of the following:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 556
General Fund	Fiduciary Funds	276,942
		<u>\$ 277,498</u>

Balances at June 30, 2006, result from the routine timing differences between the dates that interfund goods or services are provided and the dates that reimbursement occurs.

Transfers shown in the Fund Financial Statements for the year ending June 30, 2006, were as follows:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 210,000
Drug Enforcement Fund	General Fund	63,368
Other Governmental Funds	General Fund	282,398
		<u>\$ 555,766</u>

Transfers are used to offset expenses of operating commissaries in the General Fund and to use unrestricted revenues in the General Fund to finance various programs.

5. Inventories

Warehouse inventory	\$ 36,862
Office supplies	9,641
Commissary inventory	72,661
	<u>\$ 119,164</u>

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

6. Capital Assets

The following is a summary of changes in capital assets during the year ended June 30, 2006:

	July 1, 2005	Increases	Decreases	June 30, 2006
Governmental Activities				
Capital assets not being depreciated				
Construction in progress	\$ 1,559,275	\$ 50,919	\$ (1,610,194)	\$ -
Land and improvements	<u>493,748</u>	<u>144,885</u>	<u>-</u>	<u>638,633</u>
Total Capital Assets Not Being Depreciated	2,053,023	195,804	(1,610,194)	638,633
Other Capital Assets				
Buildings and improvements	13,898,501	2,396,769	-	16,295,270
Vehicles	3,863,185	859,764	(580,796)	4,142,153
Radios	1,286,963	129,556	(101,700)	1,314,819
Boats	119,933	6,458	-	126,391
Office equipment	1,144,443	868,071	(178,092)	1,834,422
Camera/video	440,086	51,511	(59,407)	432,190
Other	787,424	382,532	(43,549)	1,126,407
Weapons	<u>249,112</u>	<u>3,489</u>	<u>-</u>	<u>252,601</u>
Total Other Capital Assets	21,789,647	4,698,150	(963,544)	25,524,253
Less				
Accumulated depreciation				
Buildings and improvements	(3,618,620)	(517,677)	-	(4,136,297)
Vehicles	(2,130,340)	(495,741)	419,693	(2,206,388)
Radios	(626,722)	(103,293)	101,700	(628,315)
Boats	(53,352)	(12,714)	-	(66,066)
Office equipment	(736,349)	(121,265)	173,345	(684,269)
Camera/video	(225,891)	(37,586)	56,517	(206,960)
Other	(398,080)	(112,439)	38,175	(472,344)
Weapons	<u>(77,232)</u>	<u>(42,491)</u>	<u>-</u>	<u>(119,723)</u>
Total Accumulated Depreciation	<u>(7,866,586)</u>	<u>(1,443,206)</u>	<u>789,430</u>	<u>(8,520,362)</u>
Other Capital Assets, Net	<u>13,923,061</u>	<u>3,254,944</u>	<u>(174,114)</u>	<u>17,003,891</u>
Governmental Activities				
Capital Assets, Net	\$ 15,976,084	\$ 3,450,748	\$ (1,784,308)	\$ 17,642,524

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Depreciation expense for the current fiscal year was charged to functions as follows:

Governmental Activities

Executive division	\$ 88,158
Finance division	6,567
Youth programs	4,504
Personnel division	3,569
Tax department	4,997
Civil department	14,154
Maintenance road/ crew	73,729
Correction division (DC-1)	38,367
Work release facility	316,680
House arrest division	11,210
Detective division	109,967
DARE training center	792
Uniform division	468,174
Training division	27,132
Louisiana Youth Academy	5,028
School resource officers	37,920
Correction division (DC-3)	231,254
Warehouse	1,004
Total Depreciation Expense for Governmental Activities	\$ 1,443,206

7. Long-Term Liabilities

During the year ended June 30, 2006, the following changes occurred in long-term liabilities:

	Balance July 1, 2005	Additions	Reductions	Balance June 30, 2006
Capital leases payable	\$ 69,062	\$ -	\$ (17,109)	\$ 51,953
Certificates of indebtedness Issued 1/22/98 - matures 2007	545,000	-	(265,000)	280,000
Compensated absences payable	1,051,935	1,098,167	(1,051,935)	1,098,167
	<u>\$ 1,665,997</u>	<u>\$ 1,098,167</u>	<u>\$ (1,334,044)</u>	<u>\$ 1,430,120</u>

	Balance June 30, 2006	Due Within One Year	Due In More Than One Year
Capital leases payable	\$ 51,953	\$ 19,117	\$ 32,836
Certificates of indebtedness - Issued 1/22/98	280,000	280,000	-
Compensated absences payable	1,098,167	-	1,098,167
	<u>\$ 1,430,120</u>	<u>\$ 299,117</u>	<u>\$ 1,131,003</u>

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Certificates of Indebtedness

On January 22, 1998, certificates of indebtedness in the amount of \$2,000,000 were issued to the Law Enforcement District of Rapides Parish to finance the acquisition and construction of the new jail (DC-3) located near the Louisiana Youth Academy. This debt is to be repaid with General Fund excess revenues. The interest rate varied from 4.6% to 4.95% per annum. The Rapides Parish Law Enforcement District will transfer monthly to a debt service sinking fund one-sixth (1/6th) of the next interest payment due and one-twelfth (1/12th) of the next principal payment due. Interest is payable on September 1 and March 1, while principal payments are due March 1. During the year ended June 30, 2003, this certificate was renegotiated as follows: the interest rate varies from 1.53% to 2.85% per annum. All other terms, including principal repayments and due dates, remain the same.

Capital Leases Payable

The Rapides Parish Sheriff has entered into six capital leases for the purchase of eight copy machines and service contracts on these machines. The cost of the copy machines purchased under these capital leases is \$58,800 and is included in capital assets on the Statement of Net Assets, net of accumulated depreciation of \$25,482. Each capital lease is for the term of 60 months with varied interest rates from 10.512% to 12.254% per annum and varied monthly payments from \$200 to \$628.

Annual debt service requirements to maturity for above debt (excluding compensated absences payable), including interest of \$12,607, are as follows:

Fiscal Year Ending	Principal	Interest	Total
<u>June 30,</u>			
2007	\$ 299,117	\$ 11,651	\$ 310,768
2008	21,360	956	22,316
2009	11,476	-	11,476
	<u>\$ 331,953</u>	<u>\$ 12,607</u>	<u>\$ 344,560</u>

8. Changes in Agency Funds

Balance, Beginning of Year	\$ 3,588,135
Additions	
Deposits	
Sheriff's sales, etc.	3,974,577
Bonds, fines, and costs	2,475,837
Other deposits	4,926,090
Taxes, fees, etc., paid to tax collector	56,082,922
Other additions	40,494
Total Additions	<u>67,499,920</u>

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

Reductions	
Taxes, fees, etc., distributed to taxing bodies and others	55,637,045
Deposits settled to:	
Sheriff's General Fund	3,098,107
Rapides Parish Police Jury	942,042
District Attorney	318,190
Indigent Defender	286,632
Clerk of Court	97,749
Litigants	2,586,206
Other settlements	845,401
Other reductions	<u>3,192,498</u>
Total Reductions	<u>67,003,870</u>
Balance, End of Year	\$ 4,084,185

**9. Changes in Assets and Liabilities –
Tax Collector Fund**

Balance, Beginning of Year (Unsettled) \$ 2,205,437

Additions (Collections)	
Ad valorem taxes	52,692,736
Prior year taxes	472,244
Various tax district refunds	3,790
Interest on:	
Interest bearing checking accounts	157,275
Delinquent taxes	76,956
Tax certificates	8,608
State revenue sharing (See Note 11)	2,583,492
Tax notices, refunds, etc.	87,790
Other	<u>31</u>
Total Additions (Collections)	56,082,922

Reductions (Distributions)	
Rapides Parish:	
Police Jury	12,895,944
School Board	24,002,007
Gravity Drainage District No. 1	238,645
Waterworks No. 3	16
Ward Nine Recreation District	932,869
Ward Ten Recreation District	299,638
Library	2,988,758
Waterworks District No. 11-A	146,935
Clerk of Court	12,525
Sheriff	8,666,614
Assessor	1,033,650
Airport Authority	448
Fire District No. 12	60,400

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

State of Louisiana:	
Forestry Commission	26,797
Tax Commission	10,866
Red River Waterway Commission	1,157,650
Red River, Atchafalaya, and Bayou Bouef Levee District	1,287,014
Pension funds	1,599,642
Refunds - other	743
Individual	<u>275,884</u>
Total Reductions (Distributions)	<u>55,637,045</u>
Balance, End of Year (Unsettled)	\$ 2,651,314

10. Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property located within the parish as of January 1 of each year. Taxes are levied normally in November, and actually billed to the taxpayer during the same month. Billed taxes become delinquent on January 1 of the following year. As the tax collector of the parish, the Sheriff bills and collects its own property taxes using the assessed values determined by the tax assessor of Rapides Parish. Assets are recognized when an enforceable legal claim has arisen or when resources are received, whichever is first. Revenues from ad valorem taxes are budgeted in the year billed, and recognized in the period that the taxes are levied.

For the year ended June 30, 2006, taxes of 16.93 mills were levied on property with assessed values totaling \$643,739,953.

11. State Revenue Sharing – Tax Collector Fund

The State of Louisiana Revenue Sharing Funds provided by Act No. 465 of 2005 were distributed as follows:

Rapides Parish:	
Police Jury	\$ 769,124
School Board	885,074
Gravity Drainage District No. 1	7,726
Ward Ten Recreation District	11,886
Library	162,985
Waterworks District No. 11-A	3,297
Sheriff	559,905
Assessor	54,689
Fire District No. 12	1,669
Red River, Atchafalaya, and Bayou Bouef Levee District	53,700
Pension funds	<u>73,437</u>
	\$ 2,583,492

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

12. Unsettled Balances – Tax Collector Fund

The unsettled balances at June 30, 2006, include the following:

Taxes received under protest, plus interest earned to date on these taxes	\$ 2,648,993
Interest earned on other tax collection accounts	<u>2,321</u>
	\$ 2,651,314

Taxes held under protest are maintained in a separate bank account pending resolution of the protested taxes. Interest earned on other monies is accumulated and distributed periodically.

13. Operating Leases

The Sheriff is committed for more than a single year under leases for office equipment and building or office space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2006, amounted to \$92,895, and consisted solely of minimum lease payments.

Future minimum lease payments for noncancellable leases are as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Amount</u>
2007	\$ 85,957
2008	43,810
2009	<u>7,690</u>
	\$ 137,457

In addition to the noncancellable leases shown above, the Sheriff has one building lease that is paid on a month-by-month basis. The monthly rent for this lease is \$600.

14. Risk Management

The office of the Rapides Parish Sheriff is exposed to various risks of loss related to torts, theft, or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Sheriff carries commercial insurance for workmen's compensation, auto liability, commercial general liability, law enforcement officers' liability, and buildings and equipment. There have been no losses exceeding insurance coverage in any of the three preceding fiscal years.

The Sheriff covers all other losses, claim settlements, and judgments from General Fund resources. The Sheriff currently reports all of its risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

The office of the Rapides Parish Sheriff is party to legal proceedings involving suits filed against the Sheriff for various reasons. Some of these suits claim damages that are material in amount. The amount of losses, if any, that may arise from these suits cannot be reasonably estimated. Management does not believe that the Sheriff is exposed to any material losses not covered by insurance. No provision for losses is included in the financial statements.

15. Pension Plan

Substantially all employees of the Rapides Parish Sheriff are members of the Sheriff's Pension and Relief Fund ("System"), a cost-sharing, multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All sheriffs and deputies who are found to be physically fit, who earn at least \$800 per month, and who are at least 18 years of age at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service, or at any age with at least 30 years of creditable service, and receive a benefit, payable monthly for life, equal to a percentage of their average final salary for each year of credited service. The percentage factor to be used for each year of service is 3.33 percent of creditable service. In any case, the retirement benefit cannot exceed 100 percent of the final average salary. Final average salary is the employee's highest average salary over 36 consecutive or joined months that produces the highest average. Employees who terminate with at least 12 years of service and who do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between the ages of 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute.

Employees who elected prior to July 1, 2001, could participate in the Deferred Retirement Option Plan (DROP), whereby in lieu of terminating employment and accepting a service retirement allowance, any member with twelve or more years of service and at least age 55, or 30 years of service and at least age 53, could defer the receipt of benefits for up to 3 years.

Effective July 1, 2001, the regular DROP option mentioned above was replaced by the Back DROP option. Instead of declaring in advance your DROP intentions, a member now declares at the end of the DROP period that he/she wants to participate in the Back DROP. The DROP period in the Back DROP is any time up to three years after a member is eligible to retire. The number of years in the Back DROP period is then subtracted from the number of years of creditable service to determine the retirement allowance for the member. The benefit allowable in the Back DROP is equal to the number of months in the DROP period times the monthly benefit calculated using the maximum retirement benefit.

Contributions to the System include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and one-tenth of one percent of the net direct premiums received in the state by casualty insurers doing business in the state. State statute requires covered employees to contribute 10.0% of their salaries to the System and requires an employer contribution equal to 10.75% of each covered employee's salary.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Sheriff's Pension and Relief Fund, 1225 Nicholson Drive, Baton Rouge, LA 70802.

The Sheriff made the following required contributions to the Sheriff's Pension and Relief Fund:

<u>Fiscal Year Ending</u>	<u>Amount</u>
6/30/06	\$ 2,218,923
6/30/05	1,861,726
6/30/04	1,670,721

16. Postretirement Health Care Benefits

The Rapides Parish Sheriff provides postretirement benefits to retired deputies with at least fifteen years of service who are at least fifty-five years of age or retired with at least thirty years of service at any age. State statute provides that the premium costs of group hospital, surgical, medical expense, and dental insurance and the first ten thousand dollars of life insurance shall be paid from the Sheriff's General Fund for deputies meeting those requirements.

The Rapides Parish Sheriff pays the health and life insurance cost, as applicable, of the retired deputies and their spouses directly to the benefit provider. The Louisiana Sheriff's Pension System reimburses the Sheriff for the spouses' portion of those costs, which have been deducted from the retirees' monthly pension check.

For the fiscal year ending June 30, 2006, the Rapides Parish Sheriff expended \$134,600 on net postretirement benefits for forty-four retirees. The annual cost per retiree of these postretirement health care benefits and the number of retirees receiving those benefits as of June 30, 2006 is as follows:

	<u>Cost</u>	<u>Retirees</u>
Health insurance for retiree not receiving Medicare benefits	\$ 3,700	20
Health insurance for retiree receiving Medicare benefits	2,458	22
Dental benefits	191	42
Life insurance (first \$10,000 only)	45	44

17. Expenses of the Sheriff Paid by Others

The Rapides Parish Police Jury, as governing authority of the Parish, is required to provide certain facilities, services, and supplies necessary for the Sheriff to carry out the responsibilities of the office. Consequently, expenditures for those costs, such as office space, parish jail, certain equipment and supplies, and related expenses necessary for the use, operation, and maintenance of these facilities, are not included in the financial statements of the Sheriff.

Rapides Parish Sheriff
June 30, 2006

Notes to Basic Financial Statements

18. GASB 45 Implementation

In June 2004, The Governmental Accounting Standards Board (GASB) approved Statement No. 45, Accounting and Financial Reporting by Employers for Postretirement Benefits other than Pensions. This new pronouncement provides guidance for local governments in recognizing the cost of retiree health care, as well as any "other" post employment benefits (other than pensions).

Government-Wide Financial Statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The new pronouncement will cause the Government-Wide Financial Statements to recognize the cost of providing retiree health care coverage over the life of the employee, rather than at the time the health care premiums are paid. Annually, the unfunded actuarial accrued liability (UAAL) will be reported in the Government-Wide Financial Statements. However, the UAAL will not be reported in the individual fund statements that use the modified accrual basis of accounting.

The Sheriff will implement the provisions of GASB Statement No. 45 along with the required note disclosures for the fiscal year beginning July 1, 2008.

Required Supplemental Information – Part II

Rapides Parish Sheriff
Alexandria, Louisiana
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2006

Statement H

Variance with
Final Budget -
Favorable
(Unfavorable)

	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Taxes				
Ad valorem	\$ 7,500,000	\$ 8,000,000	\$ 7,946,943	\$ (53,057)
Sales taxes	10,400,000	11,000,000	11,384,498	384,498
Intergovernmental	4,290,850	4,888,350	4,928,461	40,111
Fees, commissions, etc.	9,550,100	9,960,000	9,956,377	(3,623)
Rental income	39,600	34,800	34,800	-
Interest earned	171,000	280,000	334,623	54,623
Other	190,550	258,500	178,757	(79,743)
Total Revenues	32,142,100	34,421,650	34,764,459	342,809
Expenditures				
Current				
Executive division	1,129,258	1,353,061	1,353,249	(188)
Finance division	422,297	436,416	436,129	287
Youth programs	122,726	124,674	109,334	15,340
Personnel division	141,700	137,675	130,400	7,275
Tax department	375,874	383,924	374,848	9,076
Civil department	667,060	686,095	688,505	(2,410)
Maintenance/road crew	626,137	756,429	777,332	(20,903)
Correction division (DC-1)	3,348,931	3,550,263	3,605,464	(55,201)
Work release facility	3,102,384	3,334,114	3,331,721	2,393
House arrest division	520,967	402,135	389,996	12,139
Detective division	2,130,735	2,251,723	2,295,546	(43,823)
DARE training center	273,800	162,900	158,402	4,498
Uniform division	8,667,067	10,188,042	10,119,249	68,793
Training division	273,944	292,738	265,707	27,031
Louisiana Youth Academy	1,125,812	1,043,278	1,038,824	4,454
School resource officers	2,912,192	2,980,162	2,979,483	679
Correction division (DC-3)	4,652,881	5,241,873	5,203,423	38,450
Warehouse	104,928	118,544	113,130	5,414
Capital outlay	1,419,407	2,581,704	2,564,908	16,796
Debt service				
Principal	-	-	17,109	(17,109)
Interest and other charges	-	-	5,679	(5,679)
Total Expenditures	32,018,100	36,025,750	35,958,438	67,312
Excess (Deficiency) of Revenues Over Expenditures	124,000	(1,604,100)	(1,193,979)	410,121
Other Financing Sources (Uses)				
Transfers in	210,000	220,000	210,000	(10,000)
Transfers out	(344,000)	(345,900)	(345,766)	134
Sale of capital assets	10,000	30,000	49,868	19,868
Total Other Financing Sources (Uses)	(124,000)	(95,900)	(85,898)	10,002
Net Change in Fund Balance	-	(1,700,000)	(1,279,877)	420,123
Fund Balance, Beginning of Year	9,766,183	9,766,183	9,766,183	-
Fund Balance, End of Year	\$ 9,766,183	\$ 8,066,183	\$ 8,486,306	\$ 420,123

The accompanying notes are an integral part of the financial statements.

Rapides Parish Sheriff
Alexandria, Louisiana
Budgetary Comparison Schedule
Drug Enforcement Fund
Year Ended June 30, 2006

	Budgeted Amounts		Actual	Statement I
	Original	Final		Variance with Final Budget - Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 139,176	\$ 123,883	\$ 123,052	\$ (831)
Fees, commissions, etc.	-	35,360	30,390	(4,970)
Total Revenues	139,176	159,243	153,442	(5,801)
Expenditures				
Current				
Metro narcotics division	200,676	205,526	197,446	8,080
Capital outlay	-	-	2,722	(2,722)
Total Expenditures	200,676	205,526	200,168	5,358
Deficiency of Revenues Over Expenditures	(61,500)	(46,283)	(46,726)	(443)
Other Financing Sources (Uses)				
Transfers in	61,500	63,400	63,368	(32)
Total Other Financing Sources (Uses)	61,500	63,400	63,368	(32)
Net Change in Fund Balance	-	17,117	16,642	(475)
Fund Balance, Beginning of Year	66,757	66,757	66,757	-
Fund Balance, End of Year	\$ 66,757	\$ 83,874	\$ 83,399	\$ (475)

The accompanying notes are an integral part of the financial statements.

Supplemental Information

**Rapides Parish Sheriff
Alexandria, Louisiana
Balance Sheet
General Fund
June 30, 2006**

Statement J-1

Assets

Cash and cash equivalents	\$ 589,284
Investments	5,250,000
Receivables	2,693,514
Accrued interest receivable	47,247
Due from other funds	
Jail Commissary Fund	46
Drug Enforcement Fund	510
Sheriff's Civil Fund	74,178
Tax Collector Fund	1,500
Fines and Costs Fund	29,317
Jail Inmate Fund	171,947
Inventories	46,503
Total Assets	<u>\$ 8,904,046</u>

Liabilities and Fund Balance

Liabilities

Accounts payable	\$ 174,530
Payroll withholdings	3,237
Deferred revenue	239,973
Total Liabilities	<u>417,740</u>

Fund Balance

Fund balance - Unreserved and undesignated	<u>8,486,306</u>
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Total Liabilities and Fund Balance	<u>\$ 8,904,046</u>
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See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
Year Ended June 30, 2006

Statement J-2
(Continued)

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes			
Ad valorem	\$ 8,000,000	\$ 7,946,943	\$ (53,057)
Sales	11,000,000	11,384,498	384,498
Intergovernmental			
Federal	1,445,300	1,496,511	51,211
State	2,849,550	2,841,271	(8,279)
Local	593,500	590,679	(2,821)
Fees, commissions, etc.			
Fees	706,000	693,642	(12,358)
Feeding and maintaining prisoners	8,450,300	8,442,370	(7,930)
Commissions	803,700	820,365	16,665
Rental income	34,800	34,800	-
Interest earned	280,000	334,623	54,623
Other	258,500	178,757	(79,743)
Total Revenues	34,421,650	34,764,459	342,809
Expenditures			
Current			
Executive division	1,353,061	1,353,249	(188)
Finance division	436,416	436,129	287
Youth programs	124,674	109,334	15,340
Personnel division	137,675	130,400	7,275
Tax department	383,924	374,848	9,076
Civil department	686,095	688,505	(2,410)
Maintenance/road crew	756,429	777,332	(20,903)
Correction division (DC-1)	3,550,263	3,605,464	(55,201)
Work release facility	3,334,114	3,331,721	2,393
House arrest division	402,135	389,996	12,139
Detective division	2,251,723	2,295,546	(43,823)
DARE training center	162,900	158,402	4,498
Uniform division	10,188,042	10,119,249	68,793
Training division	292,738	265,707	27,031
Louisiana Youth Academy	1,043,278	1,038,824	4,454
School resource officers	2,980,162	2,979,483	679
Correction division (DC-3)	5,241,873	5,203,423	38,450
Warehouse	118,544	113,130	5,414
Capital outlay	2,581,704	2,564,908	16,796
Debt service			
Principal	-	17,109	(17,109)
Interest and other charges	-	5,679	(5,679)
Total Expenditures	36,025,750	35,958,438	67,312
Excess of Revenues Over Expenditures	(1,604,100)	(1,193,979)	410,121

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund
Year Ended June 30, 2006

Statement J-2
(Concluded)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Sources (Uses)			
Transfers in			
Jail Commissary Fund	150,000	140,000	(10,000)
Work Release Facility Commissary Fund	70,000	70,000	-
Transfers out			
Drug Enforcement Fund	(63,400)	(63,368)	32
Debt Service Fund	(282,500)	(282,398)	102
Sale of capital assets	30,000	49,868	19,868
Total Other Financing Sources (Uses)	<u>(95,900)</u>	<u>(85,898)</u>	<u>10,002</u>
Net Change in Fund Balance	(1,700,000)	(1,279,877)	420,123
Fund Balance, Beginning of Year	<u>9,766,183</u>	<u>9,766,183</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 8,066,183</u></u>	<u><u>\$ 8,486,306</u></u>	<u><u>\$ 420,123</u></u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2006

Statement J-3
(Continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures			
Executive Division			
Current			
Salaries and related benefits	\$ 925,861	\$ 925,054	\$ 807
Operating expenses	427,200	428,195	(995)
Capital outlay	1,024,921	1,023,940	981
Total Executive Division	<u>2,377,982</u>	<u>2,377,189</u>	<u>793</u>
Finance Division			
Current			
Salaries and related benefits	409,466	409,335	131
Operating expenses	26,950	26,794	156
Capital outlay	8,384	8,384	-
Total Finance Division	<u>444,800</u>	<u>444,513</u>	<u>287</u>
Youth Programs			
Current			
Salaries and related benefits	69,174	69,231	(57)
Operating expenses	55,500	40,103	15,397
Total Youth Programs	<u>124,674</u>	<u>109,334</u>	<u>15,340</u>
Personnel Division			
Current			
Salaries and related benefits	86,075	86,830	(755)
Operating expenses	51,600	43,570	8,030
Capital outlay	3,256	3,255	1
Debt service			
Principal	-	2,819	(2,819)
Interest and other charges	-	1,141	(1,141)
Total Personnel Division	<u>140,931</u>	<u>137,615</u>	<u>3,316</u>
Tax Department			
Current			
Salaries and related benefits	266,774	266,977	(203)
Operating expenses	117,150	107,871	9,279
Total Tax Department	<u>383,924</u>	<u>374,848</u>	<u>9,076</u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2006

Statement J-3
(Continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Civil Department			
Current			
Salaries and related benefits	\$ 604,195	\$ 604,115	\$ 80
Operating expenses	81,900	84,390	(2,490)
Capital outlay	30,898	31,747	(849)
Total Civil Department	<u>716,993</u>	<u>720,252</u>	<u>(3,259)</u>
Maintenance/Road Crew			
Current			
Salaries and related benefits	574,229	565,788	8,441
Operating expenses	182,200	211,544	(29,344)
Capital outlay	98,154	85,055	13,099
Total Maintenance/Road Crew	<u>854,583</u>	<u>862,387</u>	<u>(7,804)</u>
Correction Division (DC-1)			
Current			
Salaries and related benefits	2,949,363	2,983,057	(33,694)
Operating expenses	600,900	622,407	(21,507)
Capital outlay	52,328	53,759	(1,431)
Total Correction Division (DC-1)	<u>3,602,591</u>	<u>3,659,223</u>	<u>(56,632)</u>
Work Release Facility			
Current			
Salaries and related benefits	2,311,514	2,310,915	599
Operating expenses	1,022,600	1,020,806	1,794
Capital outlay	95,997	97,427	(1,430)
Debt service			
Principal	-	3,120	(3,120)
Interest and other charges	-	552	(552)
Total Work Release Facility	<u>3,430,111</u>	<u>3,432,820</u>	<u>(2,709)</u>
House Arrest Division			
Current			
Salaries and related benefits	327,935	328,175	(240)
Operating expenses	74,200	61,821	12,379
Capital outlay	63,845	63,845	-
Total House Arrest Division	<u>465,980</u>	<u>453,841</u>	<u>12,139</u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2006

Statement J-3
(Continued)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Detective Division			
Current			
Salaries and related benefits	\$ 2,021,123	\$ 2,027,949	\$ (6,826)
Operating expenses	230,600	267,597	(36,997)
Capital outlay	124,060	127,369	(3,309)
Total Detective Division	<u>2,375,783</u>	<u>2,422,915</u>	<u>(47,132)</u>
DARE Training Center			
Current			
Salaries and related benefits	54,400	55,276	(876)
Operating expenses	108,500	103,126	5,374
Total DARE Training Center	<u>162,900</u>	<u>158,402</u>	<u>4,498</u>
Uniform Division			
Current			
Salaries and related benefits	8,342,442	8,281,724	60,718
Operating expenses	1,845,600	1,837,525	8,075
Capital outlay	971,194	960,958	10,236
Debt service			
Principal	-	3,578	(3,578)
Interest and other charges	-	1,402	(1,402)
Total Uniform Division	<u>11,159,236</u>	<u>11,085,187</u>	<u>74,049</u>
Training Division			
Current			
Salaries and related benefits	185,938	187,883	(1,945)
Operating expenses	106,800	77,824	28,976
Capital outlay	21,818	20,769	1,049
Debt service			
Principal	-	2,127	(2,127)
Interest and other charges	-	513	(513)
Total Training Division	<u>314,556</u>	<u>289,116</u>	<u>25,440</u>

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Expenditures - Budget and Actual
General Fund
Year Ended June 30, 2006**

			Statement J-3 (Concluded)
	Final Budget	Actual	Variance Favorable (Unfavorable)
Louisiana Youth Academy			
Current			
Salaries and related benefits	\$ 866,678	\$ 862,173	\$ 4,505
Operating expenses	176,600	176,651	(51)
Capital outlay	2,428	2,428	-
Total Louisiana Youth Academy	1,045,706	1,041,252	4,454
School Resource Officers			
Current			
Salaries and related benefits	2,927,712	2,930,531	(2,819)
Operating expenses	52,450	48,952	3,498
Capital outlay	4,957	3,461	1,496
Total School Resource Officers	2,985,119	2,982,944	2,175
Correction Division (DC-3)			
Current			
Salaries and related benefits	3,724,373	3,689,684	34,689
Operating expenses	1,517,500	1,513,739	3,761
Capital outlay	75,059	78,106	(3,047)
Debt service			
Principal	-	5,465	(5,465)
Interest and other charges	-	2,071	(2,071)
Total Correction Division (DC-3)	5,316,932	5,289,065	27,867
Warehouse			
Current			
Salaries and related benefits	76,694	76,750	(56)
Operating expenses	41,850	36,380	5,470
Capital outlay	4,405	4,405	-
Total Warehouse	122,949	117,535	5,414
Total Expenditures	\$ 36,025,750	\$ 35,958,438	\$ 67,312

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Balance Sheet
Drug Enforcement Fund
June 30, 2006

Statement K-1

Assets

Cash and cash equivalents

\$ 150,082

Total Assets

\$ 150,082

Liabilities and Fund Balance

Liabilities

Due to other funds

 General Fund

\$ 510

Deferred revenue

66,173

 Total Liabilities

66,683

Fund Balance

Fund balance - Unreserved and undesignated

83,399

Total Liabilities and Fund Balance

\$ 150,082

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Drug Enforcement Fund
Year Ended June 30, 2006**

Statement K-2

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental			
Federal	\$ 105,000	\$ 104,169	\$ (831)
Local	18,883	18,883	-
Commission on forfeited assets	35,360	30,390	(4,970)
Total Revenues	<u>159,243</u>	<u>153,442</u>	<u>(5,801)</u>
Expenditures			
Current			
Salaries and related benefits	126,826	127,264	(438)
Building lease	20,400	20,400	-
Utilities	9,460	13,067	(3,607)
Telephone	9,681	7,238	2,443
Informants and undercover operations	24,500	17,000	7,500
Undercover supplies	5,531	3,768	1,763
Office expense	8,036	(247)	8,283
Insurance	1,092	1,092	-
Miscellaneous	-	7,864	(7,864)
Capital outlay	-	2,722	(2,722)
Total Expenditures	<u>205,526</u>	<u>200,168</u>	<u>5,358</u>
Deficiency of Revenues Over Expenditures	(46,283)	(46,726)	(443)
Other Financing Sources			
Transfer in			
General Fund	<u>63,400</u>	<u>63,368</u>	<u>(32)</u>
Net Change in Fund Balance	17,117	16,642	(475)
Fund Balance, Beginning of Year	<u>66,757</u>	<u>66,757</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 83,874</u></u>	<u><u>\$ 83,399</u></u>	<u><u>\$ (475)</u></u>

See independent auditor's report.

Nonmajor Governmental Funds

Special Revenue Funds - Special revenue funds account for the receipt and disbursement of earmarked monies.

Jail Commissary Fund - This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners housed in the Rapides Parish Detention Centers (DC-1, DC-2, and DC-3), as well as items purchased with the gross profits from the sale of the merchandise.

Work Release Facility Commissary Fund - This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners housed at the Work Release Facility located on Highway 28 West, as well as items purchased with the gross profits from the sale of the merchandise.

Local Law Enforcement Block Grant Fund - This fund accounts for grant money that is to be used for law enforcement purposes by the Rapides Parish Sheriff as well as the other sub-recipients.

Capital Projects Fund - The Capital Projects Fund is used to account for funds designated for future expansion and acquisitions.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources and payment of principal and interest on the two million dollar certificates of indebtedness issued for the construction of the new jail (DC-3) located near the Louisiana Youth Academy.

**Rapides Parish Sheriff
Alexandria, Louisiana
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2006**

Statement L-1

		Special Revenue Funds					Total Nonmajor Governmental Funds
		Jail Commissary Fund	Work Release Facility Commissary Fund	Local Law Enforcement Block Grant Fund	Total Special Revenue Funds	Capital Projects Fund	
Assets							
Cash and cash equivalents	\$	11,159	\$ 42,959	\$ -	\$ 54,118	\$ 214,721	\$ 365,091
Investments	-	-	-	-	-	132,191	132,191
Accrued interest receivable	-	-	-	-	-	2,282	2,282
Inventories	45,126	-	27,535	-	72,661	-	72,661
Total Assets	\$	56,285	\$ 70,494	\$ -	\$ 126,779	\$ 349,194	\$ 572,225
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$	6,376	\$ -	\$ -	\$ 6,376	\$ -	\$ 6,376
Due to General Fund	46	-	-	-	46	-	46
Total Liabilities	6,422	-	-	-	6,422	-	6,422
Fund Balances							
Reserved	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unreserved	49,863	70,494	-	-	120,357	349,194	96,252
Total Fund Balances	49,863	70,494	-	-	120,357	349,194	469,551
Total Liabilities and Fund Balances	\$	56,285	\$ 70,494	\$ -	\$ 126,779	\$ 349,194	\$ 572,225

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2006

Statement L-2

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Jail Commissary Fund	Work Release Facility Commissary Fund	Local Law Enforcement Block Grant Fund	Total Special Revenue Funds	Capital Projects Fund	Debt Service Fund	
Revenues							
Intergovernmental	-	-	\$ 9,637	\$ 9,637	-	-	\$ 9,637
Sale of merchandise	589,428	284,394	-	873,822	-	-	873,822
Interest earned	1,861	-	270	2,131	12,713	386	15,230
Other	-	101	-	101	-	-	101
Total Revenues	591,289	284,495	9,907	885,691	12,713	386	898,790
Expenditures							
Current							
Cost of merchandise sold - commissaries	468,652	205,629	-	674,281	-	-	674,281
Bank charges - commissaries	8,230	18	-	8,248	-	-	8,248
Grants to other governments	-	-	9,907	9,907	-	-	9,907
Capital outlay	-	-	-	-	50,919	-	50,919
Debt service	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Total Expenditures	476,882	205,647	9,907	692,436	50,919	265,000	1,023,623
Excess (Deficiency) of Revenues over Expenditures	114,407	78,848	-	193,255	(38,206)	(279,882)	(124,833)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(140,000)	(70,000)	-	(210,000)	-	282,398	282,398
Total Other Financing Sources (Uses)	(140,000)	(70,000)	-	(210,000)	-	282,398	(210,000)
Net Change in Fund Balances	(25,593)	8,848	-	(16,745)	(38,206)	2,516	(52,435)
Fund Balances, Beginning of Year	75,455	61,645	-	137,102	387,400	93,736	618,238
Fund Balances, End of Year	\$ 49,863	\$ 70,494	\$ -	\$ 120,357	\$ 349,194	\$ 96,252	\$ 565,803

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Jail Commissary Fund
Year Ended June 30, 2006**

Statement M-1

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sale of merchandise	\$ 585,000	\$ 589,428	\$ 4,428
Interest earned	2,000	1,861	(139)
Total Revenues	<u>587,000</u>	<u>591,289</u>	<u>4,289</u>
Expenditures			
Current			
Cost of merchandise sold	467,500	468,652	(1,152)
Bank charges	8,000	8,230	(230)
Total Expenditures	<u>475,500</u>	<u>476,882</u>	<u>(1,382)</u>
Excess of Revenues over Expenditures	111,500	114,407	2,907
Other Financing (Uses)			
Transfer out			
General Fund	<u>(150,000)</u>	<u>(140,000)</u>	<u>10,000</u>
Net Change in Fund Balance	(38,500)	(25,593)	12,907
Fund Balance, Beginning of Year	<u>75,456</u>	<u>75,456</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 36,956</u>	<u>\$ 49,863</u>	<u>\$ 12,907</u>

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Work Release Facility Commissary Fund
Year Ended June 30, 2006**

Statement M-2

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Sale of merchandise	\$ 280,000	\$ 284,394	\$ 4,394
Other	-	101	101
Total Revenues	<u>280,000</u>	<u>284,495</u>	<u>4,495</u>
Expenditures			
Current			
Cost of merchandise sold	220,000	205,629	14,371
Bank charges	-	18	(18)
Total Expenditures	<u>220,000</u>	<u>205,647</u>	<u>14,353</u>
Excess of Revenues Over Expenditures	60,000	78,848	18,848
Other Financing (Uses)			
Transfer out			
General Fund	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
Net Change in Fund Balance	(10,000)	8,848	18,848
Fund Balance, Beginning of Year	<u>61,646</u>	<u>61,646</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 51,646</u>	<u>\$ 70,494</u>	<u>\$ 18,848</u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Local Law Enforcement Block Grant Fund
Year Ended June 30, 2006

Statement M-3

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental			
Federal	\$ 9,700	\$ 9,637	\$ (63)
Interest earned	200	270	70
Total Revenues	<u>9,900</u>	<u>9,907</u>	<u>7</u>
Expenditures			
Grants to other governments	<u>9,900</u>	<u>9,907</u>	<u>(7)</u>
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Capital Projects Fund
Year Ended June 30, 2006

Statement N

Revenues

Interest earned	\$	12,713
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Expenditures

Capital outlay		50,919
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Net Change in Fund Balance		(38,206)
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Fund Balance, Beginning of Year		387,400
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Fund Balance, End of Year	\$	349,194
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See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Debt Service Fund
Year Ended June 30, 2006**

	Statement O		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest earned	\$ 400	\$ 386	\$ (14)
Expenditures			
Debt service			
Principal	265,000	265,000	-
Interest and other charges	15,267	15,268	(1)
Total Expenditures	<u>280,267</u>	<u>280,268</u>	<u>(1)</u>
Deficiency of Revenues Over Expenditures	(279,867)	(279,882)	(15)
Other Financing Sources			
Transfers in			
General Fund	<u>282,500</u>	<u>282,398</u>	<u>(102)</u>
Net Change in Fund Balance	2,633	2,516	(117)
Fund Balance, Beginning of Year	<u>93,736</u>	<u>93,736</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 96,369</u></u>	<u><u>\$ 96,252</u></u>	<u><u>\$ (117)</u></u>

See independent auditor's report.

Agency Funds

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governmental entities, and/or other funds.

Sheriff's Civil Fund - This fund is used to account for cash received from sheriff's sales, garnishment of wages, and services provided to other governmental units. Also, certain amounts are held pursuant to judicial orders pending finalization of legal suits.

Tax Collector Fund - This fund is used to account for collection of assessed ad valorem taxes and redemptions of ad valorem taxes and the disposition to the applicable taxing bodies.

Cash Bond Fund - This fund is used to account for cash bonds received for prisoners' release pending trial.

Fines and Costs Fund - This fund is used to account for fines and costs on traffic and other legal violations received by the Sheriff to be distributed in accordance with specific laws and regulations.

Jail Inmate Fund - This fund is used to account for cash held for each prisoner in the jail and the Work Release Facility. This money may be used by the prisoner for commissary purchases, and any remaining cash is returned to the prisoner when he/she is released.

Rapides Parish Sheriff
Alexandria, Louisiana
Combining Statement of Fiduciary Assets and Liabilities
Fiduciary Fund Types - All Agency Funds
June 30, 2006

Statement P-1

	Fines and Costs Fund					Total
	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Jail Inmate Fund		
Assets						
Cash and cash equivalents	\$ 300,282	\$ 2,651,314	\$ 77,236	\$ 841,766	\$ 4,081,896	
Due from inmates	-	-	-	2,289	2,289	
Total Assets	<u>\$ 300,282</u>	<u>\$ 2,651,314</u>	<u>\$ 77,236</u>	<u>\$ 844,055</u>	<u>\$ 4,084,185</u>	
Liabilities						
Due to General Fund	\$ 74,178	\$ 1,500	\$ -	\$ 171,947	\$ 276,942	
Unsettled balances due to taxing bodies and others	-	2,649,814	-	-	2,649,814	
Due to inmates	-	-	-	672,108	672,108	
Due to others	226,104	-	77,236	-	485,321	
Total Liabilities	<u>\$ 300,282</u>	<u>\$ 2,651,314</u>	<u>\$ 77,236</u>	<u>\$ 844,055</u>	<u>\$ 4,084,185</u>	

See independent auditor's report.

**Rapides Parish Sheriff
Alexandria, Louisiana
Combining Statement of Changes
in Fiduciary Assets and Liabilities
Fiduciary Fund Types - All Agency Funds
Year Ended June 30, 2006**

Statement P-2

	Sheriff's Civil Fund	Tax Collector Fund	Cash Bond Fund	Fines and Costs Fund	Jail Inmate Fund	Total
Balances, Beginning of Year	\$ 310,489	\$ 2,205,437	\$ 70,310	\$ 238,513	\$ 763,386	\$ 3,588,135
Additions						
Deposits						
Sheriff's sales, etc.	3,974,577	-	-	-	-	3,974,577
Bonds, fines, and costs	-	-	120,179	2,355,658	-	2,475,837
Other deposits	8,873	-	-	-	4,917,217	4,926,090
Taxes, fees, etc., paid to tax collector	-	56,082,922	-	-	-	56,082,922
Other additions	-	-	3,454	5,867	31,173	40,494
Total Additions	3,983,450	56,082,922	123,633	2,361,525	4,948,390	67,499,920
Reductions						
Taxes, fees, etc., distributed to taxing bodies and others	-	55,637,045	-	-	-	55,637,045
Deposits settled to:						
Sheriff's General Fund	804,330	-	-	320,120	1,973,657	3,098,107
Rapides Parish Police Jury	-	-	-	942,042	-	942,042
District Attorney	-	-	-	318,190	-	318,190
Indigent Defender	-	-	-	286,632	-	286,632
Clerk of Court	97,749	-	-	-	-	97,749
Litigants	2,586,206	-	-	-	-	2,586,206
Other settlements	323,645	-	-	521,756	-	845,401
Other reductions	181,727	-	116,707	-	2,894,064	3,192,498
Total Reductions	3,993,657	55,637,045	116,707	2,388,740	4,867,721	67,003,870
Balances, End of Year	\$ 300,282	\$ 2,651,314	\$ 77,236	\$ 211,298	\$ 844,055	\$ 4,084,185

See independent auditor's report.

Rapides Parish Sheriff
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2006

Schedule 1

Federal Grantor/ Pass-through Grantor Program Title	Federal CFDA Number	Pass-through Grant Number	Award Amount	Amount Expended
U. S. Department of Justice				
Office of Victims of Crime				
Passed-through the State of Louisiana				
Crime Victim Assistance	16.575	C05-3-006	\$ 30,000	\$ 26,506
		C06-3-008	27,796	1,143
Passed-through the Iberia Parish Sheriff's Office			13,318	13,318
Office of Community Oriented Policing Services				
Direct	16.710	2004CKWX0008	148,422	148,422
Passed-through the Grant Parish Sheriff's Office				
Public Safety Partnership and Community Policing Grants			163,540	77,414
Bureau of Justice Assistance				
Direct				
State Criminal Alien Assistance Program	16.606	2006-APBX0271	6,462	6,462
Bulletproof Vest Partnership Program	16.607	2005-D6-BX-05025914	5,304	1,144
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-DJ-BX-1198	158,480	52,687
Passed-through the State of Louisiana				
Edward Byrne Memorial Formula Grant Program	16.579	B04-3-010	153,333	51,462
Local Law Enforcement Block Grant Program	16.592	2004-LB-BX-1110	29,273	9,637
Total U.S. Department of Justice			<u>735,928</u>	<u>388,217</u>
U. S. Department of Transportation				
National Highway Safety Administration				
Passed-through the State of Louisiana				
State and Community Highway Safety	20.600	P3-06-37-00	11,000	3,035
Total U.S. Department of Transportation			<u>11,000</u>	<u>3,035</u>
U. S. Department of Homeland Security				
Passed-through the Rapides Parish Office of Homeland Security				
Disaster Grants - Public Assistance	97.036		840,571	840,571
State Homeland Security Program	97.073	various	223,710	223,710
Passed-through the State of Louisiana				
Law Enforcement Terrorism Prevention Program	97.074	2004-GE-T4-0004	126,446	107,008
		2005-GE-T5-0004	146,737	47,335
Total U.S. Department of Homeland Security			<u>1,337,464</u>	<u>1,218,624</u>
Totals			<u>\$ 2,084,392</u>	<u>\$ 1,609,876</u>

Notes:

All expenditures on the Schedule of Expenditures of Federal Awards are reported on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the Sheriff's accounting policies.

See independent auditor's report.

**Other Reports Required
by *Government Auditing Standards*
and OMB Circular A-133**

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Rapides Parish Sheriff, Alexandria, Louisiana, as of and for the year ended June 30, 2006, which collectively comprise the Rapides Parish Sheriff's basic financial statements and have issued our report thereon dated November 22, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Sheriff's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as Findings 2006-01 through 2006-02.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

MARVIN A. JUNEAU, C.P.A.

ROBERT L. LITTON, C.P.A.

MICHAEL A. JUNEAU, C.P.A.

H. FRED RANDOW, C.P.A.

ROBERT W. BYDRAK, C.P.A.

JAMES N. BALLARD, C.P.A.

ERNEST F. SASSER, C.P.A.

REBECCA B. MORRIS, C.P.A.

CINDY L. HUMPHRIES, C.P.A.

L. PAUL HOOD, C.P.A.



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PAYNE, MOORE & HERRINGTON, LLP

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Rapides Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Rapides Parish Sheriff, management, federal awarding agencies, and the Louisiana Legislative Auditor's office and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is in fact a public document.

Payne, Moore & Herrington, LLP

Certified Public Accountants

November 22, 2006

**Report on Compliance with Requirements Applicable to
Each Major Program and on Internal Control Over Compliance
in Accordance with OMB Circular A-133**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

**Report on Compliance with Requirements Applicable to
Each Major Program and on Internal Control Over Compliance
in Accordance with OMB Circular A-133**

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Compliance

We have audited the compliance of the Rapides Parish Sheriff, Alexandria, Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2006. The Sheriff's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Rapides Parish Sheriff's management. Our responsibility is to express an opinion on the Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Rapides Parish Sheriff's compliance with those requirements.

In our opinion, the Rapides Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2006.

MARVIN A. JUNEAD, C.P.A.	ROBERT L. LITTON, C.P.A.	MICHAEL A. JUNEAD, C.P.A.
H. FRED RANDOW, C.P.A.	ROBERT W. OVORAK, C.P.A.	JAMES N. BALLARD, C.P.A.
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PAYNE, MOORE & HERRINGTON, LLP

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Internal Control Over Compliance

The management of the Rapides Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Sheriff's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Rapides Parish Sheriff, management, federal awarding agencies, and the Legislative Auditor's office of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is in fact a public document.

Payne, Moore & Herrington, LLP

Certified Public Accountants

November 22, 2006

Rapides Parish Sheriff
Schedule of Findings and Questioned Costs
Year Ended June 30, 2006

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified	
Internal control over financial reporting:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified that are not considered to be material weaknesses?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Management's Corrective Action Plan	See Attached	
Management's Summary Schedule of Prior Audit Findings	See Attached	
Memorandum of Other Comments and Recommendations	None Issued	

Federal Awards

Internal control over major programs:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Type of auditor's report issued on compliance for major programs:	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Identification of major programs:		

CFDA Number

97.036

Name of Federal Program

Disaster Grants - Public Assistance (Presidentially
Declared Disasters)

Dollar threshold used to distinguish between type A and type B programs	\$300,000	
Auditee qualified as low-risk auditee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Rapides Parish Sheriff
Schedule of Findings and Questioned Costs
Year Ended June 30, 2006

Section II - Financial Statement Findings

Finding 2006-01 – Purchase Orders and Invoice Approval

Criteria: The Sheriff has written purchasing policies to ensure proper controls over purchasing so that expenditures for goods and services are authorized and in accordance with budget and other regulations and requirements. Approved purchase requisitions are required for all purchases greater than \$50. Purchase orders are then issued for approved purchase requisitions. All invoices require approval by the originating department prior to payment.

Condition and Context: As part of our test of cash disbursements, we examined all related supporting documentation for sixty randomly selected disbursements. Of the sixty examined, seven invoices included no approved purchase order, two invoices were dated prior to the date on the purchase orders, two invoices were for amounts that did not agree to the approved purchase order amount, and three invoices were not approved for payment by the originating department.

Cause and Effect: Failure to follow written purchasing policies and procedures cause an increased risk for potential misuse of cash, for exceeding budgeted expenditures, and for poor cash management.

Recommendation: We recommend that Sheriff personnel follow established purchasing policies and procedures.

Management's response: See Management's Corrective Action Plan.

Finding 2006-02 – Approval of Personnel Leave

Criteria: The objectives of internal controls are to provide management with reasonable assurance that assets are safeguarded against loss and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. Proper approval of personnel leave records is an integral part of internal controls.

Condition and Context: As part of our test of payroll disbursements, we examined all related supporting documentation for forty randomly selected payroll disbursements. Of the forty examined, twenty-five personnel leave slips were not approved.

Cause and Effect: Failure to approve personnel leave slips prior to processing payroll provides for inadequate controls over payroll disbursements and increases fraud risk factors.

Recommendation: We recommend that all personnel leave slips are reviewed and approved prior to the payroll preparation.

Management's response: See Management's Corrective Action Plan.

**Rapides Parish Sheriff
Schedule of Findings and Questioned Costs
Year Ended June 30, 2006**

Section III – Federal Award Findings and Questioned Costs

None reported.

**Rapides Parish Sheriff
Management's Corrective Action Plan
Year Ended June 30, 2006**

The Rapides Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 2006.

Independent Public Accounting Firm: Payne, Moore & Herrington, LLP
P. O. Box 13200
Alexandria, LA 71315-3200
(318) 443-1893

Auditee Contact Person: Mark Thibeaux
Rapides Parish Sheriff Office
P.O. Box 1510
Alexandria, LA 71309-1519
(318) 473-6810

Audit period: July 1, 2005 through June 30, 2006

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the Schedule.

Reportable Conditions:

Finding 2006-01 – Purchase Orders and Invoice Approval

Condition: From a sample of sixty cash disbursements, seven invoices included no approved purchase order, two invoices were dated prior to the date on the purchase orders, two invoices were for amounts that did not agree to the approved purchase order amount, and three invoices were not approved for payment by the originating department.

Recommendation: The Sheriff personnel should follow established purchasing policies and procedures.

Action taken: All departments have been instructed to insure that purchase orders be obtained for all items over \$50 and that purchase orders be obtained prior to invoicing.

Occasionally purchase orders are issued for items such as building materials or supplies prior to the items being picked up or delivered. Once the work on the project has begun, additional items necessary for the completion of the project may be added on to the total of the invoice and the department may forget to notify the Purchasing Department of the additions. We will continue to monitor these purchases and remind the using departments to notify us of any additional items purchased in order to insure that the invoice and purchase order totals are the same.

Another reason for a discrepancy between the purchase order amount and the invoice amount are freight charges. Sometimes orders are placed that include freight charges for which the vendor may not be able to give an exact cost at the time the purchase order is issued. In these cases, the freight charges are estimated. Therefore when the invoice is received the total amount does not coincide with the purchase order amount.

**Rapides Parish Sheriff
Management's Corrective Action Plan
Year Ended June 30, 2006**

Occasionally invoices are mailed directly to the RPSO Purchasing Department by the vendors. In order to obtain an authorized department head signature, the invoices must be sent to the appropriate department by means of departmental mail. This increases the chances of the invoices being lost as well as delaying the payment of the invoices if they are not returned in a timely manner. In order to prevent these potential problems, the Purchasing Department personnel will contact the using departments to obtain a verbal verification that the invoiced items have been received. The Purchasing Personnel will then initial the invoice and sign the name of the person verifying the purchase.

Finding 2006-02 – Approval of Personnel Leave

Condition: From a sample of forty payroll disbursements, twenty-five personnel leave slips were not approved.

Recommendation: All personnel leave slips should be reviewed and approved prior to the payroll preparation.

Action taken: Problems with leave slip approvals arose in the past because of time constraints in getting them signed and the accounting department needing the slips in order to process payroll for the pay period. An employee could still be on sick leave when it is time for the leave slip to be turned in, thereby making it impossible for it to be signed. All division managers have been notified to have all leave slips signed by the employee and the division manager before it is submitted to the accounting department. In those instances when an employee is unavailable, the division manager will notate that on the leave slip when it is turned in to the accounting department, and when the employee returns from sick leave he/she will sign a copy of the original slip and turn it in.

**Rapides Parish Sheriff
Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2006**

Finding 2005-01 – Purchase Orders

Condition: The Sheriff has written purchasing policies to ensure proper controls over purchasing. Approved purchase requisitions are required for all purchases greater than \$50, and subsequently, purchase orders are issued for the approved requisitions.

It was noted that invoices were paid without an approved purchase order, that invoices were dated prior to the date on the purchase orders, and that invoices were for amounts that did not agree to the approved purchase order amounts.

Current Status: Unresolved. See Finding 2006-01.

Finding 2005-02 – Bonds and Fines Department

Condition: Employees in the bonds and fines department process large amounts of cash. These same employees are capable of making adjustments to individual accounts in the computer system. This condition increases the opportunity for fraud.

In order to maintain adequate controls over assets with increased susceptibility to misappropriation and to decrease the risk of fraud, only limited personnel (such as the supervisor and the assistant supervisor) should have access to the individual accounts to make adjustments. Any changes should be password protected to prevent others from having access to making adjustments on accounts in the computer system.

Current Status: Resolved.

Finding 2005-03 – Segregation of Duties

Condition: A lack of segregation of duties exists because the same employee is responsible for preparation and mailing of accounts payable checks. Also, this same condition exists with the preparation and distribution of payroll checks. This provides an opportunity for unauthorized checks to be issued.

Current Status: Resolved.

Finding 2005-04 – Warehouse Inventory

Condition: There are no written policies and procedures for distribution of inventory items from the warehouse. The inventory items are released from the warehouse based on orders placed over the phone without documentation of authorization.

Current Status: Resolved.

Finding 2005-05 – Bid Law

Condition: Louisiana Revised Statute 38:2212 provides in part that all purchases of any materials or supplies in excess of threshold amounts must be purchased in accordance with statutory guidelines.

**Rapides Parish Sheriff
Management's Summary Schedule of Prior Audit Findings
Year Ended June 30, 2006**

Current Status: Resolved.

Finding 2005-06 – Cash Bonds

Condition: Louisiana Revised Statute 15.86.1 provides that cash bonds that remain unclaimed for more than three years shall be deposited in the general fund of the Sheriff.

Current Status: Resolved.